

Exhibit 11

*United States of America ex rel. Ven-A-Care of the Florida Keys, Inc.,
et al. v. Dey, Inc., et al.*, Civil Action No. 05-11084-PBS

**Exhibit to the Declaration of Marisa A. Lorenzo in Support of Dey's
Motion to Exclude the Opinions of Mark Duggan, Ph.D.**

Washington, DC

Page 535

1 UNITED STATES DISTRICT COURT

2 FOR THE DISTRICT OF MASSACHUSETTS

3 - - - - -

4 IN RE: PHARMACEUTICAL) MDL NO. 1456

5 INDUSTRY AVERAGE WHOLESALE) CIVIL ACTION

6 PRICE LITIGATION) 01-CV-12257-PBS

7 THIS DOCUMENT RELATES TO)

8 U.S. ex rel. Ven-a-Care of) Judge Patti B. Saris

9 the Florida Keys, Inc.)

10 v.) Chief Magistrate

11 Abbott Laboratories, Inc.,) Judge Marianne B.

12 No. 06-CV-11337-PBS) Bowler

13 - - - - -

14 (cross-captions on following pages)

15

16 Washington, D.C.

17 Wednesday, March 26, 2008

18 9:22 a.m.

19

20 Videotaped deposition of DEIRDRE DUZOR

21 Volume III

22

<p style="text-align: right;">Page 904</p> <p>1 MS. MARTINEZ: Object to form.</p> <p>2 THE WITNESS: Yes, and most don't</p> <p>3 distinguish between their payments rates for</p> <p>4 generics and brands.</p> <p>5 BY MR. COOK:</p> <p>6 Q. If, tomorrow, the AWP's published in</p> <p>7 Redbook were -- instead of as they are today</p> <p>8 were, instead, empirical averages of the amounts</p> <p>9 that pharmacies and providers paid for drugs --</p> <p>10 do you understand the premise of my question</p> <p>11 there?</p> <p>12 A. I think so.</p> <p>13 Q. Do you have any opinion about whether</p> <p>14 there would be access problems for beneficiaries</p> <p>15 of Medicaid if that were to happen overnight?</p> <p>16 MS. MARTINEZ: Objection. Form.</p> <p>17 THE WITNESS: I will restate your</p> <p>18 question; you can tell me if it's accurate. If</p> <p>19 Medicaid was paying pharmacies at a rate lower</p> <p>20 than what their purchase price of the drug is --</p> <p>21 BY MR. COOK:</p> <p>22 Q. Yes, ma'am.</p>	<p style="text-align: right;">Page 906</p> <p>1 A. To increase it so that -- you know,</p> <p>2 pharmacies are for-profit businesses. I think</p> <p>3 Medicaid doesn't -- its goal is not to not</p> <p>4 reimburse appropriately; it is to reimburse</p> <p>5 appropriately.</p> <p>6 Q. And just to follow up on that theme a</p> <p>7 little bit, when you talk about reimbursing</p> <p>8 appropriately, part of the difficulty of figuring</p> <p>9 out what it is to reimburse appropriately is the</p> <p>10 fact that by virtue of it being a formula, you</p> <p>11 are having one price that applies to several</p> <p>12 types of providers, right?</p> <p>13 A. Several types of providers? What do</p> <p>14 you mean by --</p> <p>15 Q. Or several types of pharmacies. The</p> <p>16 same price to Joe's Pharmacy as it is to</p> <p>17 Walgreens as to CVS as to an infusion pharmacy as</p> <p>18 to a nursing home pharmacy, for example.</p> <p>19 A. If that's the way the state has done</p> <p>20 their formula, which most states do.</p> <p>21 Q. And most states also --</p> <p>22 A. They could differentiate, but most</p>
<p style="text-align: right;">Page 905</p> <p>1 A. -- would there be access problems?</p> <p>2 Q. Yes.</p> <p>3 A. I would guess there would be.</p> <p>4 Q. Why?</p> <p>5 A. Why?</p> <p>6 Q. Yes, ma'am.</p> <p>7 A. Because pharmacies would stop serving</p> <p>8 Medicaid in order to try to get the reimbursement</p> <p>9 to be raised.</p> <p>10 Q. Do you have any opinion about what</p> <p>11 would be the consequence if the various state</p> <p>12 Medicaid programs were paying based upon an AWP</p> <p>13 that was an empirical average of what pharmacies</p> <p>14 were obtaining drugs for?</p> <p>15 A. Well, states don't want to cause access</p> <p>16 problems any more than the federal government</p> <p>17 does, so if the new AWP's would turn out to be</p> <p>18 actual purchasing -- the price at which the drug</p> <p>19 could be purchased, I think states -- we would</p> <p>20 have a run on state plan amendments to change</p> <p>21 their formula for reimbursement.</p> <p>22 Q. In what way?</p>	<p style="text-align: right;">Page 907</p> <p>1 states do not.</p> <p>2 Q. And most states also have a formula</p> <p>3 that applies the same formula to pills as it does</p> <p>4 to IV drugs or infusion drugs as it does to a</p> <p>5 compounded drug for a pediatric purpose, right?</p> <p>6 A. Yes. Some states have different</p> <p>7 compound drug reimbursements -- or, actually,</p> <p>8 it's dispensing fees that differ for compound</p> <p>9 drugs, yes, you're right.</p> <p>10 Q. But in various ways there is a one size</p> <p>11 fits all aspect to this payment system that</p> <p>12 Medicaid uses for drugs, right?</p> <p>13 A. Yes. We cover -- the Medicaid program</p> <p>14 covers probably close to 50,000 drugs, so these</p> <p>15 are not priced on an individual basis. That</p> <p>16 would be very impractical.</p> <p>17 Q. And so by the very nature of the</p> <p>18 program, some drugs will be priced at larger gaps</p> <p>19 from acquisition cost than other drugs depending</p> <p>20 upon what the drug is, who the provider is, where</p> <p>21 the pharmacy is located, and probably more</p> <p>22 factors than I could think of right now, right?</p>